

## **APPENDIX A**

### **PARTNERSHIP MODELS**

The following two working partnership models have been outlined for the City to use as a reference. The example models have been included for the City/School District and the City/YMCA.

#### **City and School District Partnership Model**

The city of Asheville and the school district decide that they would like to take their partnership program to a new level for the development of joint use facilities to include athletic fields, and other recreational facilities. The plan of action for the partnership agreement would include the following:

1. Jointly share with each other long term land acquisition and facility development plans. This would allow each party to describe their vision for their agency and how it overlays into what each other is doing. This should also include program development plans.
2. From this vision discussion, each party would identify where they see a potential partnership opportunity.
3. If both parties agree that there is the potential for a partnership, then discussion needs to move into more detail matters.
4. Is there a common vision for this to work between both agencies?
5. What are each other's values in relationship to the partnership that needs to be identified and incorporated into the partnership project and agreements?
6. Is there a history between these two agencies that could affect the ability of this vision project to move forward? What needs to be done by each partner to overcome any history? What needs to be done between the two partners to build trust and confidence in the project?
7. Is it possible for each party to meet a 50/50 cost sharing position related to developing the facility, and or program, that benefits Asheville as a whole?
8. What are the ultimate performance measurements that each party will need from the other to commit to the project?
9. Can a working written recital be developed that creates a vision strategy for each party that agrees to the purpose and commitment that each is making to the program or facility?
10. Each party assigns staff to finalize and develop the organizational structure for the partnership. This will include the partner reciprocals agreement; communication reporting process; funding commitments; staffing and personnel commitments; timelines for development; implementation of the program or project; and process for conflict resolution.

11. The assigned staff trains each other on each agencies overall goals, visions, mission statements, and expectations they are hoping to achieve with the partnership.
12. Performance measurements are established for each party that outlines accountability for their commitments without managing them.
13. The school district and City shares and approves the overall working agreement with each respective board, for adoption and approval.
14. Each party provides working discussion and project meeting dates to discuss expectations, programs and performance measurements.
15. Each party reports progress jointly to each other's management board on the results of the partnership efforts.
16. If a facility development project is established, a project manager for each agency needs to be designated.
17. If a program commitment partnership is established, each partner designates appropriate program coordinators to fulfill the visions of each agency.

### **City and YMCA Partnership Model**

The City of Asheville and the YMCA or YWCA both agree that it would be beneficial to develop a partnership for providing aquatic programs. Both are currently offering similar types of programs, but dividing the market share potential between agencies. The programs would use Asheville's pool facilities and the YMCA would provide the instructors. The plan of action would include the following:

#### **Overview Discussion**

1. What are the common visions and missions of each agency?
2. What are the common values that each agency wants to instill into the programs and partnership?
3. Is there any history between the agencies that needs to be discussed?
4. Is it possible for each agency to meet a 50/50 cost sharing position in developing these programs?

#### **Programs Discussions**

1. What types of programs can be offered that are wanted by the community?
2. What are the goals and performance standards for the programs?
3. For each type of programs, which segments of the public will be served by the program?
  - age groups

- gender
  - geographic target
  - other demographics of target groups
4. What is the projected revenue for each partner?
  5. What types of reports will be submitted?
  6. How will both parties communicate?
  7. How will each partner cover insurance?
    - type of insurance
    - who is covered
    - limits and limitations
  8. An accounting of each partners dollar value contributions need to be outlined.
    - personnel (full time, part time, seasonal, volunteers)
    - supplies, materials, consumable items
    - equipment - non consumable
    - facilities
    - marketing efforts
    - registration
    - other
    - cash commitment
  9. What are the desired outcomes that each want to accomplish and, how will they be measured? by whom? and when?
  10. The partners need to agree upon a time frame of how long the partnership should be active and when is an appropriate time to meet to discuss the status of the partnership. This can be based on a season (quarter), semi-annually, or annually depending upon the programs. The programs can include the following:
    - learn to swim
    - water-related fitness classes

- therapeutic classes
- diving
- water safety
- lifeguard training
- specialty classes
- special events

C:\a Projects\Asheville PnR\AshevilleCDNew\REPORT\APPENDAB.DOC



## APPENDIX B

### ACTIVITY BASED COST MODELS

The objective for activity based costing (ABC) is to identify cost details, cost impacts, and savings from alternative course of actions. For example, this allows the City of Asheville to compare delivery cost for operations of two sizes of recreation facilities in different locations throughout the city. By identifying these cost, it allows staff responsible for the facilities, to explore less expensive ways to operate the facilities; make program changes if necessary; increase volumes of productivity; and apply cost per experience numbers to each center.

There are four basic components that determine how the ABC model will track cost information. These basic components are:

1. Activities
2. Cost Pools
3. Drivers
4. Outputs

Activities represent the service performed, facilities managed; or programs produced by the Department. The goal is to determine the total cost of the activity (both direct and indirect cost) by respective cost pools.

In this example, the activity is Reid Recreation Center and North Asheville Community Center.

Cost Pools are the major components of cost incurred by the Department in managing these two recreation facilities. Examples of cost pools include: labor, equipment, materials, and overhead cost.

Drivers are the basis used to advocate cost from the cost pools to the activities (the two recreation centers). When drivers are defined, the manager must be capable of establishing the total quantity of the drivers. Drivers are then looked to cost pools to determine the rate per each driver unit. Examples of drivers includes: direct labor hours, equipment hours, materials used etc.

The activity based costing model for each recreation center needs to be tied to an output unit of measurement, which represents the number of times an activity is performed during a specific time period. In the case of the Department's output for the recreation centers, this would include the number of days the facility is open, and the cost per day to operate. This then can be tied to participant cost. Commonly used allocation cost includes overhead cost (total labor hours and specific allocations that are assigned).

- Personnel Cost – total labor hours and individual labor hours.
- Facilities – total labor hours, square footage cost, lease cost.

- Vehicles – (depreciation, maintenance fuel) total labor hours and percentage of actual use.
- Fixed assets – total labor hours and percentage of actual use.
- Contractual arrangements – total labor hours and specific programs allocations.

## Sample ABC Model

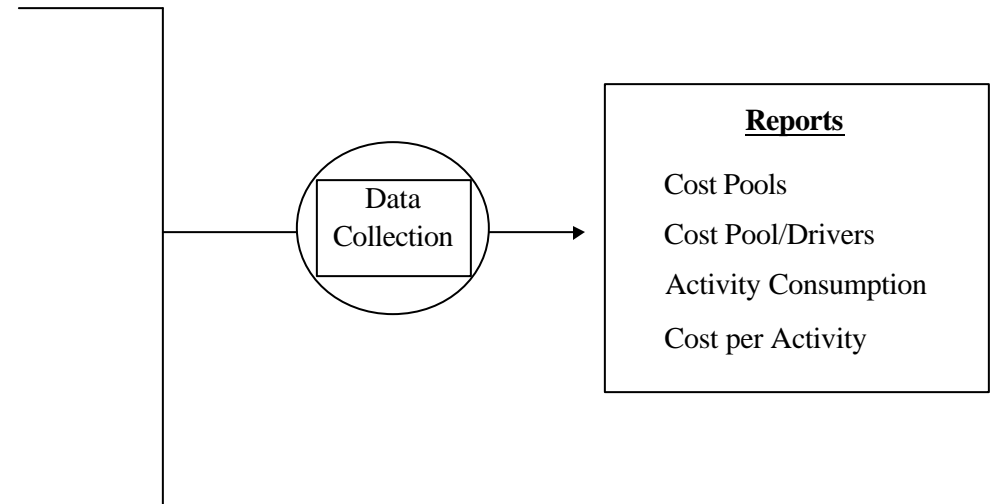
(For Capturing and Reporting Information per Activity/Cost Pool)

### Direct Costs

- Direct Labor
- Materials/Supplies
- Equipment
- Vehicles

### Indirect Costs

- Indirect labor
- Administration
- Finance
- Supervisors
- Overhead
- Utilities
- Asset Depreciation
- Office Supplies
- Rent/Facilities



ACTIVITY:	REID RECREATION ENTER	NORTH ASHEVILLE COMMUNITY CENTER		
COST POOL	TOTAL DOLLARS Based on 1998 Budget Totals			
Salaries				
Contractual Cost				
Utility Cost				
Operating Supplies				
Support Service				
Misc. Overheads				
TOTAL				
COST POOL AND RELATED DRIVERS	SEE ATTACHED BUDGET CHART FOR COST POOL DRIVER			
“SALARIES”				
Management cost on site				
Actual cost applied to site from purchasing, payroll, marketing & registration				
Maintenance staff time on site (includes mowing, snow removal, trash pick-up, landscaping, building repair)				
Part-time staff hours for supervision and maintenance of the site				
Program management cost non-contractual				
TOTAL SALARIES				
CONTRACTUAL COST	F-T HOUR RATE	P-T HOUR RATE	F-T HOUR RATE	P-T HOUR RATE
Specific program hours				
External maintenance contracts				
Maintenance cost/clearing				
Talent (performers)				
Specific program instructors				
TOTAL CONTRACTUAL HOURS				
UTILITY COST				
Gas				
Water				
Electrical				
Telephone				



<b>TOTAL</b>		
Avg. cost per sq. ft.		
<b>ACTIVITY:</b>	<b>REID RECREATION CENTER</b>	<b>NORTH ASHEVILLE COMMUNITY CENTER</b>
<b>OPERATING SUPPLIES</b>		
Building materials and supplies		
Paper		
Uniforms		
Books		
Cleaning supplies		
Postage		
Pagers		
Fax machines		
Copier cost		
Computer maintenance cost		
Lease payments		
Printing cost		
Program material		
<b>TOTAL</b>		
<b>SUPPORT SERVICES COST</b>		
Marketing support cost (total hours X hourly rate)		
Liability and insurance		
Fringe benefit cost for salaries		
Training cost		
Registration staff cost (total hours X hourly rate)		
Computer service assistance (total hours X hourly rate)		
Research assistance		
Professional services		
<b>TOTAL</b>		
<b>MISC OVERHEAD</b>		
Repair and replacement of equipment		
Travel cost & staff mileage		
% of managers time outside of on-site manager		
<b>TOTAL</b>		

BUDGET EXPENDITURE CATEGORY ONE COST POOL DRIVERS		
COST DRIVER \$ AMOUNT	Full-time	
	111-01	Administration (purchasing, record-keeping, payroll, bookkeeping, meeting time)
	111-02	Supervision/implementation
	111-03	Planning (set up, scheduling, etc.)
	111-04	Customer service (greeting, cashier)
	111-05	Hire, train, and recruit personnel
	111-06	Registration
	111-07	Cleaning
	111-08	Marketing
	<b>Maintenance Full-time</b>	
	111-11	Electrical
	111-12	Plumbing
	111-13	Turf
	111-14	Trash
	111-15	Trees
	111-16	Set-ups
	111-17	Mowing
	111-18	Painting
	111-19	Cemetery
	111-20	Landscaping
	111-21	Equipment (maintenance, etc)
	111-22	Water quality (Aquatics)
	111-23	Snow removal
	111-24	Construction
	111-25	Irrigation
	111-26	Travel/equipment transport
	111-27	Trails
	111-28	Parking Lots
	111-29	Athletic courts
	111-30	Fences
	111-31	Bridges
	111-32	Sidewalk curb (maintenance, repair, construction)
	111-32	Signage
	<b>Subtotal full-time</b>	

BUDGET EXPENDITURE CATEGORY ONE COST POOL DRIVERS		
COST DRIVER \$ AMOUNT	Part-time	
	112-01	Administration (purchasing, record-keeping, payroll, bookkeeping, meeting time)
	112-02	Supervision/implementation
	112-03	Planning (set up, scheduling, etc.)
	112-04	Customer service (greeting, cashier)
	112-05	Hire, train, and recruit personnel
	112-06	Registration
	112-07	Cleaning
	112-08	Marketing
	112-09	Guarding (pools)
	112-10	Teaching/leading
	<b>Maintenance Seasonal/Part-time</b>	
	112-11	Electrical
	112-12	Plumbing
	112-13	Turf
	112-14	Trash
	112-15	Trees
	112-16	Set-ups
	112-17	Mowing
	112-18	Painting
	112-19	Cemetery
	112-20	Landscaping
	112-21	Equipment (maintenance, etc)
	112-22	Water quality (Aquatics)
	112-23	Snow removal
	112-24	Construction
	112-25	Irrigation
	112-26	Travel/equipment transport
	112-27	Trails
	112-28	Parking Lots
	112-29	Athletic courts
	112-30	Fences
	112-31	Bridges
	112-32	Sidewalk curb (maintenance, repair, construction)
	112-33	Signage
	<b>Subtotal Part-time</b>	

BUDGET EXPENDITURE CATEGORY ONE COST POOL DRIVERS		
COST DRIVER \$ AMOUNT	Full-time	
	<b>Contractors Full-time</b>	
	111-02	Supervision/implementation
	111-03	Planning (set up, scheduling, etc)
	111-07	Cleaning
	111-11	Electrical
	111-12	Plumbing
	111-17	Mowing
	111-24	Construction
	111-40	Talent (performances)
	382-01	Fleet interdepartmental
	384-01	Information services interdepartmental
	385-01	Information/technology services external
	<b>Subtotal contractors full-time</b>	
	<b>Contractors Part-Time/Seasonal</b>	
	112-02	Supervision/implementation
	112-03	Planning (set-up, scheduling, etc)
	112-07	Cleaning
	112-11	Electrical
	112-12	Plumbing
	112-17	Mowing
	112-24	Construction
	112-40	Talent (performances)
	<b>Subtotal contractors part-time</b>	
	<b>Fringe</b>	
	121-91	Social Security (FICA)
	122-91	PERF
	123-91	Insurance
		<b>TOTAL CATEGORY ONE COST DRIVERS</b>

Budget Expenditure Category Two Cost Pool Drivers			
Cost Driver \$Amount		1996	1997
Operating Supplies			
221-00	Institutional & Medical		
222-00	Agricultural supplies		
223-00	Garage & motor supplies		
224-00	Fuel & oil		
	Repair & Maintenance supplies		
231-00	Building materials & supplies		
232-00	Motor vehicle repair		
233-00	Street, alley & sewer materials		
234-00	Other repairs & maintenance		
	Other supplies		
241-00	Books		
242-00	Other Supplies		
243-00	Uniforms		
	<b>Category Two Total</b>	<b>\$0</b>	<b>\$0</b>

<b>Budget Expenditure Category Three Cost Pool Drivers</b>			
	<b>Cost Pool Drivers</b>	<b>1996</b>	<b>1997</b>
	Professional Services		
311-00	Engineering & Architectural		
312-00	Special Legal Services		
313-00	Medical		
314-00	Exterminator Services		
315-00	Communications Contract		
316-00	Instruction		
317-00	Consultants & Workshops		
	Communication & Transportation		
321-00	Telephone		
322-00	Postage		
323-00	Travel		
324-00	Freight/Other		
325-00	Pagers		
	Printing & Advertising		
331-00	Printing		
332-00	Advertising		
	Insurance		
341-00	Causality		
342-00	Employee Bonds		
	Utility Services		
351-00	Electrical Service		
352-00	Street Lights/Traffic Signals		
353-00	Water & Sewer		
354-00	Gas		
	Repairs & Maintenance		
361-00	Building		
362-00	Motor		
363-00	Machinery & Equipment Repairs		
364-00	Computer Maintenance		
365-00	Other Repairs		
	Rentals		
371-00	Land		
372-00	Building		
373-00	Machinery & Equipment		
374-00	Hydrant Rental		
375-00	Other		
	Debt Services		
381-00	Principal		
382-00	Interest		
383-00	Bank Charges		
384-00	Lease Payments		
	Other Services & Charges		

391-00	Dues & Subscriptions		
392-00	Laundry & Other Sanitation Services		
394-00	Work Study		
395-00	Landfill Fees		
396-00	Grants		
397-00	Mayor's Promotion of Business		
398-00	Community Access TV/Radio		
399-00	Other Services and Charges		
	<b>Category Three Total</b>		
		<b>\$0</b>	<b>\$0</b>

Budget Expenditure Category Four Cost Pool Drivers			
	Cost Pool Drivers	1996	1997
	Land		
411-00	Land Purchase		
	Buildings		
421-00	Building Purchase		
	Improvements Other Than Building		
431-00	Improvements Other Than Building		
	Machinery & Equipment		
441-00	Lease-purchase		
442-00	Purchase of Equipment		
443-00	Furniture & Fixtures		
444-00	Motor Equipment		
445-00	Equipment		
	Other Capital Outlays		
451-00	Other Capital Outlays		
	<b>Category Four Total</b>	<b>\$0</b>	<b>\$0</b>